The Resistance to Change as a Specific Risk for the Organization Transformation

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The theoretical approaches and also the practice in organizational change show us that there is no such thing as a pre-defined solution, that we cannot say about an organization perspective if it is good or bad, but we can say about it that it is appropriate, in accordance with the organization objectives, that it answers to the national specific and also to the economic and social context. The pre-established solutions do not have an absolute value, they represent only recommendations for establishing the actions regarding the organization management, the applying of the performance management instruments, the developing of the transformation abilities, the change implementation. In this situation, a question arises: Why does a useful and necessary transformation needed to accomplish the organization objectives face a resistance? Besides the personal interests and attitudes, the resistance explanations should be sought in the lack of correlation between the institutional objectives and individual ones, an area which is not enough regulated by the organizational culture, but more often at a high level of inadequacy between the structure and the categories of objectives mentioned above. We appreciate as being essential the learning capacity proved by the organization; the innovative side must face the human nature which preserves its comfort created by the routine, developing the tendency of denial for every change.

Keywords: resistance to change, organizational transformation, risk management

The organization responds to the environmental modifications by adapting specific changes which only aim to the planned outputs limit or may represent the reorganization of structures or processes. The manager equally thinks about the present and the future, the change orientation refers to the given chance and also to the subsequent events threat (Druker, 2010, p. 124).

The nowadays situation of public companies, with new and dynamic risks toward their functionality, makes the managers effort at the strategical and tactical level to aim mainly to designing and implementing the change. Besides the required qualities and abilities for managing the public organizations, it is mandatory the

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leading personnel recognize the moment when the change is needed or unavoidable and they must require the others to be part of the initiative. The specialized literature adds the transformational leader to the classical leader types. This type of leader convinces the inferiors about the importance of achieving the new objectives and the rightness of the methods through which they are achieved, increasing the level of implication, the responsibility and the common goal adhesion. In this case, the personnel is encouraged to modify its thinking regarding the way they approach the problems, the subordinates are encouraged to have a new vision and a new attitude toward the problems, according to the personal and the organization objectives (Ispas, 2012, p. 25). The personnel focusing on the activities circumscribed to a successful project could develop a high inertia level which, in the case of running a new project represents a good premise for the organization transformation (Ruckes & Ronde, 2015, pp. 475-497).

The discussion on change must not exclude the continuity elements in the organization activity or structure. The continuity plans existence is legitimated by the fact that, the change must, in the first phase, identify the operations of maximum importance, so that the organization could achieve the main prerogatives the way they are defined in the strategical plans or the normative provisions. The recommendation referring to the continuity plans is that these should be developed starting from the most pessimistic scenario, taking into account the fact that the measures which must be taken should be at a smaller scale, in order to be adapted to the real situation which determined the necessity of change (ASIS Commission on Standards and Guidelines, 2005).

The difficulty of making the change is directly proportional with its depth and the structure dimension which is referring to. The change amplitude goes from individual to group level and to the organizational one. The project management has the most evident dynamics at the project team level, which from one phase to another or from one project to another reorganizes itself inside a matrix structure made up of specialists from different fields of activity.

For public organizations, the modality of change implementation is, generally speaking, from top to bottom due to the set hierarchical structure and the way the authority is centered. The authors consider the restructuring and the functional reorganization as being part of the generally term. They admit that it might exist a situation when change is not responding to a macrosocial situation modification, and this fact leads to other transformations, which are inevitably more subtle. In this case, the change is internally planned by a group with formal authority or informal influence that takes to functioning changes or structure modifications.

We should note that the change reaches the macrosocial level and sometimes has a nature which is inevitably commanded by global evolution. Figure 1 shows the change levels and the relation between the necessary time for the change correlated to its difficulty.

The accelerated dynamics means a quite recent approach of the situations characterized by uncertainty and their consequences and it is considered to be the integrated management risk in organization. This pattern of integrated risk analysis (Sammer, 2002) is justified by the changes rhythm which is commanded by globalisation, by the multitude of regulations belonging to the different domains, by the continuously growing expectations of the interest holders, by the new information and communication technologies, etc. Conducting activities in different countries or multinational environments implies the existence of diverse managerial and organizational culture, with different regulations and application environments. The changes in the integrator macrosystem may induce dysfunction in the objectives achievement. The deficiency may be removed or reduced by the existence of one structure that can manage transformation and observe the organization risks, at national and multinational level.
Change Resistance and Its Characteristics in Public Organizations

The issue of risks in public organizations cannot be analyzed separate from the realities which accompany the contemporary realities. An integrated model of activities analysis and planning at any level is needed so that the prevention may become an essential component of activity at any level. Organization must respond by structural modifications and by adapting their specific tasks to the new realities and to the way they influence the administrative structures and their missions. It is necessary for the specific regulation basis which ensures the risk’s integrated management in administration companies to be evaluated and reconsidered, in order to observe the organization necessity to adapt itself.

The change formal goals are: increasing the performance in objectives achievement, maintaining the internal organization balance, adapting and functional optimization together with the flexibility of the environment dynamics.

The environment changes and the organization internal evolution represent the change potential of the organization structure, of culture, policies and their processes. In reality, an important resistance is shown when the authors try to implement the modifications in the organization. They adapt a Leavitt diagram (see Figure 2) in order to illustrate the interdependent change characteristics and the mutual influence between technology and organization. Thus, the technological changes are turned from the right direction and cancelled by processes and organizational compounds, structures or persons. The Leavitt pattern of organization evolution shows off that the efficient way to induce the change is represented by a simultaneous change of technologies, tasks, structures, and persons.

It is necessary for the organization to be prepared before a change insertion in one of the components; then it comes the rapid implementation followed by a change institutionalization. The organization determinants which must be taken into consideration are shown below (see Table 1).
In order to get benefits deriving from change, the alining of individual and collective interests must be designed at the same level and with the same intensity as the changes imposed by the implementation of the technologic factor. For example, if we choose technology because of the informatics and communication technology evolution acceleration, the modification will require changes of the organization culture elements and the norms, values and procedures.

Recent study (Righi & Saurin, 2015, pp. 19-30) shows that changes targeting the technological modifications have a pretty reduced framework to make them operational. Rules of change implementation are set and they follow the system complexity and environmental limitations which may have four directions which trace the dynamics interactions and also the unexpected evolutions with direct or mediated effects.

The forces-field action which governs the organizational transformation compares the change forces and the forces which oppose the change (Card, 2013, pp. 87-92). Forces against change can be of individual or group type and they refer to the following elements (Kotter & Schlesinger, 2008):

1. Personal interest not connected to the organization interest;
2. Errors in understanding the implications of organizational change;
3. Different situation assessment especially between the management and the workers;

### Table 1

<table>
<thead>
<tr>
<th>Structure conditioning</th>
<th>Psychosocial conditioning</th>
<th>Functional conditioning</th>
<th>External conditioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization type and structure</td>
<td>Organizational culture</td>
<td>Tasks, decisions, and processes designated to sustain the change</td>
<td>Environmental limitations</td>
</tr>
<tr>
<td>Organization dimension</td>
<td>Leadership nature and style</td>
<td>Management change adhesion</td>
<td>Other organizations interactions</td>
</tr>
<tr>
<td>The hierarchical level in the organization</td>
<td>Main affected interest group, the personnel attitude</td>
<td>Modifications implementation procedures</td>
<td>The normative framework</td>
</tr>
<tr>
<td>Change amplitude and factors intensity</td>
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*Figure 2. Levitt diagram.*
(4) Low tolerance to change generated by the distrust to the capacity to adapt.

The recommended action is, in this case of deficiencies, reducing the forces which are opposing the organizational change. If correctly and in time identified, these forces may be reduced until cancelling their unwanted consequences using efficient management measures, a good communication inside the organization and a harmonization in the informal plan of the organization structure. The optimal solution is to transform them in forces that are positive to change.

When they are not controlled, the analyzed forces are uncertainty elements for the decisions, the management must make and in that situation, it is obvious that the person will try to reduce the problem to familiar situations using simplification.

Taking into consideration the pressures induced by changes on decisional personnel in the public organization, the authors admit the absolutely natural situation when these persons need certainty about the taken decisions. Adequate for this phase of organization transformation, the risk integrated management provides a warranty and control progressive framework that contributes to the transformation success.

**Change Resistance in Public Organization Seen as a Risk Factor**

The present and the processes and phenomena evolution at global level are characterized by a permanent state of change. Assessing the risks for the organizations must be related to this dynamic and to turn it into specific instruments that should ensure an optimum for functioning in managerial planning. Actions that in the past were blamed and were low disseminated, nowadays are widely diffused. For example, in the 75% of actual conflicts, the children are used as soldiers or in the suicide attacks.

Modifying realities at macrosocial level means a raised dynamic of the organizational change. At public organization level, changes in risks and threats situation referring to fundamental goals and their evolution raise very much the organizational changes rate. The risks’ management must develop a character which should eliminate the reactivity in order to respond to these transformation situations.

The social practice and also the elementary logic validate that risks cannot be identified and evaluated in their integrity. Opposite this situation, the authors find the tendency to deny the risks, an attitude type underlyng the idea that an unknown danger does not affect you (Bursuc, 2014, p. 232). In the managerial practice, nowadays, there is a mutation from the situation of confronting the risks and assuming them, to an analysis and systematic risk measurement phase and also design of the ways to manage them.

The current legislation allows overcoming the reactivity management and enforcement of a proactive conduct in the management exercise. So, at the organizational level, the risk management is included in the internal control management, thus providing systematic tools for diagnosing, monitoring, and managing the risks associated to organizational activity.

The Institute of Internal Auditors (IIA) determines a mutation on the way risks are seen at the organizational level. This perception will allow us to take into consideration the organizational change mechanisms.

The risk management becomes an integrated part of the internal audit, the process being characterized by decentralization, accountability, and expanding of the best practices. By specific norms, a system of risk

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2 In 2002, IIA modified fundamentally the internal audit process and the way risks are dealt inside this process.
management is set even where it does not exist. Risk is seen as any factor which can have an impact on the organization capacity of reaching its goals. In this situation, we can include the unfavorable personnel action generated by the distrust on management, misunderstanding of the change objectives, or lack of adhesion. The situation of the forces involved in change requires an assessment of the forces for and against transformation. The analysis allows highlighting the forces pro-change and their share, a situation that is usually in balance and which is naturally against change. The conceptual integration of the mentioned elements converges to describing organizational pathologies characterized by lack of flexibility and adaptation at all levels, a reactive attitude and constant response post-factum to changes in the environment.

Thus, the risk management provides a methodology that ensures a global risk management, which allows the organization to get the best cost under a programmed change. The estimated risk factors are any deficiencies, non-conformities, environmental or organization irregularities in the context of occurrence of events and they will cause adverse consequences for the entity. The regulatory framework well set must be doubled in practice by structures and responsibles at organization level, which from decision positions to plan and implement the right measures for the optimization of the process (Books, 2011, p. 17).

All these elements are found in the practice of public organizations but, because of their specificity, the elements take particular ways of expression. As an open system, a public organization has only a direct internal control with limited possibilities to adjust effectiveness. This refers to the functioning and activities assessment, the act which is the responsibility of members with duties; we include here the super organized structures staff. Other persons outside the organization, through their action only induce influence elements of the external environment. This lack of control and regulation through direct feedback at macro-social level is complemented by internal mechanisms which are legislatively regulated.

The reduced possibility of external control over public institution determines its greater rigidity and at the same time, gives the organization greater stability over time. Compared with other types of organization, the mentioned stability generates a high level of institutional inertia against the change adaptation.

The public organization is characterized by strict normative regulations, the necessity of specific normative regulations in the administrative field is one of the highest, because the organization is extremely complex; the stake of carrying out the tasks is good governance and it should be noted that unlike other organizations, a number of consequences of the activity, as error or failure, have an absolute existential value condition³.

The evolution of society in the transition to the economy based on knowledge and less on conventional raw materials and physical labor occurs in close correlation with changes in the productive and social sector and induces changes in the nature of public administration. This framework requires a new understanding of relations between the administration and a rapidly changing society (Toffler, 1995, p. 89), including a new understanding of how to adapt the organization to the changing process of global society.

Usually, the change means to give up stability, the conditions, and the action context which used to be; this fact, associated with the impossibility of controlling future announced by the change, provokes insecurity justified by the risk factors and direct or derived consequences.

The conclusions of studies from the last two decades highlight the importance of the way people perceive and relate to change, identifying some factors appreciated as risk factors, factors which provoke the resistance

³ The government failure provokes dramatic consequences from country bankruptcy till major crimes against humanity.
to change and they refer to:

1. The lack of information regarding the goals and the change sense having as a result the lack of motivation;
2. Information concerning the acceptance of change is effective when there is homogeneity of organization members, which is only possible for small organizations.

The change management act represents a strategic activity for the management, for a leader who must identify and know the organizational characteristics, understand the specific of every phase in functioning the institution general mechanism which allow him/her the intervention in order to raise the actions’ efficiency and efficacy. The bureaucratic institution notion implies change rigidity generated by the fundamental characteristics of this type of organization:

1. Exclusive vertical subordination;
2. Correlating authority with responsibility during activities;
3. Increasing the role of discipline and order in organizational cohesion;
4. Specialization of roles and statuses;
5. Jobs, functions, and degrees hierarchy.

From this perspective, the public organization does not exist as a result of individual options, but based on objective criteria that take into consideration the personnel capacities, abilities, and disponibilities to fulfill tasks.

The internal hierarchy is distinguished from others because it generates social group layers. The social distance between the positions taken by different personnel categories shapes intraorganizational phenomena which must be taken into consideration. These phenomena if not well-directed might block or slow down the organizational transformation process.

The understanding of the effects of social stratification from public organization involves a complex and interdisciplinary approach and requires ethics and consistency from the management side.

Every public organization acts for goals achievement next to the governmental apparatus components that way the organizational transformation will affect and is affected by elements interdependency from that macrosystem.

**Processual Nature Solutions to Analyzed Problem**

Internationally, there are some directions meant to determine the theoretical apparatus and instruments designated for integrated risk management, which will have direct implications on organizational performance. The works in the field (Burciu, 2008, p. 541) group the trends which are seen as organizational resistance overtaking elements using the following directions:

1. Reporting to the stakeholders and the certification that the risks have been identified, but acknowledges that the need for transformation exists and is functional;
2. Evaluating and promoting the benefits resulting from change in organization effective management;
3. Continuous improvement of methods and strategies of institutional risk management.

The practice in the fields establishes that organizations manage risk by identifying and analyzing it, subsequently assess if the activity should be modified by risk treatment, in order to meet risk criteria. In

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conducting the process, organizations make public information and consult with the stakeholders, monitor and check the risk level and the means that can provide control. These means can modify the consequences in order to ensure that it does not exist a recurrence for risk treatment. International Standardization Organization (ISO) 31000 represents the international standard which thoroughly, systematically, and logically describes this process and can be used by any organization, it is not particular to a special social or economical field and can be applied to any type of risk.

For organizations of any type and dimension, it is necessary a reaction to a variety of risks which are considered to have an impact on the planned goals. The risk evaluation is part of the management that identifies the way the goals may be affected and analyzes the risk consequences and their probability of occurrence. The analysis phases precede decision and determine if a treatment is needed. As a solution, the SR EN 31010/2010 standard—risk management. Risks’ assessment technique is in the ISO 31000 standard support and ensures regulations regarding the selection and the way the systematic techniques for the risk assessment are applied.

The mentioned standard goal is to reflect the good practice usually applied in selection and the way risk assessment evaluation techniques are applied; it does not refer to new or emerging concepts that did not reach a good level of professional consensus. A procedural approach meant to treat resistance to change as a risk for the public organization is presented in Figure 3.

![Figure 3. Resistance to change processual treatment as risk in the public organization.](image)

For synthesizing the stages of exemplified treatment, the authors will briefly resume the components of the organizational change process:

1. Establish the needs for change in the organization
2. Design and apply the measures for organizational change
3. Identify the risk analysis and the risk treatment
4. Validation measures and conform the organizational change concept
5. Applying plans and supervising the results in the integrated risk management
6. Supervision and review

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1. Defrost—reducing the forces that maintain organization in the present state;
2. Change—transforming the organization to a new and desirable level;

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(3) Refreezing—stabilizing organization at a new balance state and fixing it.

We should mention that the change process must be implemented following the phases order, every phase is a consequence of the preceding functionality; in the first phase, it is essential to have information that do not acknowledge or do not follow the habits or practices from the old organization and to correlate the new information with important personal goals in order to induce a tension level that justifies the change opportunity.

Final Discussions

In case of continuous growth of environment influence on the organization, it is necessary that risk assessment is undertaken with full respect for the phases and procedures, and control and self-control activities, with their fixation on the flow stages that require permanent adaptation and updating. Only in this way, it can provide increased activities efficiency correlated with evolving risks.

For public organization, it is necessary that in designing risk management programs, valuable action proportional to the risk intensity should be provided, and they should be prioritized and targeted on two axes: the highest risks dangerousness or the most difficult to control. The resistance to change of the organization is not reported as a risk for organizations and it is not regarded as a specific case for the administrative institutions. An overhaul is needed and then, through planning, it is necessary to develop consistent measures, applying the same methods for similar situations being generalized in this way a positive experience and success for the organization activity. The situations of regional or global instability, which are characteristics for the periods of crisis require the more concrete measures and appropriate analysis and risk management in any organization. The organization must respond by structural changes and adapt to new realities, to specific tasks and how they influence their administration structures and missions. As well, the normative specific base which ensures the risk integrated management in public organizations must be evaluated and reconsidered.

References


In annex B. 2 of SR ISO IWA 2 standard—Quality management systems—Applying ISO 9001/2000 guidelines, exist measures together with a grid which sets the minimum accepted value which can provide an operational instruments set for determine the performance indicators.


